

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

In the Matter of the Application)

of)

) Docket No. 04-0140

) PARADISE MERGERSUB, INC., GTE
) CORPORATION, VERIZON HAWAII INC.,
) BELL ATLANTIC COMMUNICATIONS, INC.,
) AND VERIZON SELECT SERVICES INC.
)

) For approval of a merger transaction and
) related matters
)

PUBLIC UTILITIES
COMMISSION

2005 JAN -5 P 4: 03

FILED

STIPULATION
EXHIBITS A THROUGH C
AND
CERTIFICATE OF SERVICE

ALAN M. OSHIMA, ESQ.
MICHAEL H. LAU, ESQ.
KENT D. MORIHARA, ESQ.
Oshima Chun Fong & Chung LLP
841 Bishop Street, Suite 400
Honolulu, Hawaii 96813
Telephone: (808) 528-4200
Facsimile: (808) 531-8466

Attorneys for PARADISE MERGERSUB, INC.

J. DOUGLAS ING
PAMELA J. LARSON
Watanabe Ing Kawashima & Komeiji LLP
First Hawaiian Center
999 Bishop Street, 23rd Floor
Honolulu, HI 96813
Telephone: (808) 544-8300
Facsimile Number: (808) 544-8399

Attorneys for TIME WARNER TELECOM OF
HAWAII L.P. DBA OCEANIC COMMUNICATIONS

BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF HAWAII

In the Matter of the Application)	
)	
of)	Docket No. 04-0140
)	
PARADISE MERGERSUB, INC., GTE)	
CORPORATION, VERIZON HAWAII INC.,)	
BELL ATLANTIC COMMUNICATIONS, INC.,)	
AND VERIZON SELECT SERVICES INC.)	
)	
For approval of a merger transaction and)	
<u>related matters</u>)	

STIPULATION

WHEREAS, PARADISE MERGERSUB, INC. ("MergerSub") and GTE CORPORATION, VERIZON HAWAII INC., BELL ATLANTIC COMMUNICATIONS, INC. d/b/a VERIZON LONG DISTANCE and VERIZON SELECT SERVICES INC. (collectively, the GTE/Verizon Entities) jointly filed an application in this proceeding seeking Commission approval to certain transactions involving the transfer of control of Verizon Hawaii Inc. ("VZH") to MergerSub;

WHEREAS, TIME WARNER COMMUNICATIONS OF HAWAII, L.P. dba OCEANIC COMMUNICATIONS ("TWTC") and PACIFIC LIGHTNET, INC. ("PLNI") were granted permission to intervene in this proceeding to address, among other things, the limited issue of whether and to what extent the proposed transfer of control will impact the provisioning of the back office functions and systems to TWTC and PLNI (collectively the "CLECs");

WHEREAS, in an effort to facilitate a better exchange of information concerning the provisioning of the back office functions and systems to the CLECs by the post-closing VZH ("Hawaiian Telecom"), MergerSub and its consultants conducted collaborative meetings with the CLECs on October 6th and 8th, 2004;

WHEREAS, as a result of the progress made during these initial collaborative meetings, the parties agreed to continue their collaborative meetings during the week of October 18, 2004 to further discuss the wholesale service functions and timing of the reestablishment of the back office systems under MergerSub's ownership;

WHEREAS, based on these collaborative meetings, subsequent discussions between MergerSub's representatives/consultants and TWTC's representatives, and the exchange of certain information between the parties, MergerSub and TWTC desire to document an agreement relative to (a) the post-closing transition and operational matters involving the wholesale service functions provided to TWTC and (b) certain procedural matters involving the ongoing proceeding.

NOW, THEREFORE, the parties agree to the following:

I. **GENERAL STANDARD.**

A. The systems and processes to be implemented by Hawaiian Telcom will have the same or similar functionality as those presently provided to TWTC by VZH's mainland affiliates ("Verizon") for wholesale services in Hawaii.

B. If the new systems and/or processes are not fully tested and operational at the scheduled time for implementation, Hawaiian Telcom will continue to use Verizon's systems and/or processes but only to the extent of the term of the Transition Services Agreement entered into between MergerSub and the GTE/Verizon Entities, unless otherwise ordered by the Commission.¹

C. During the period that new systems and/or processes are being tested, TWTC recognizes that wholesale service orders will be processed on the Verizon systems

and/or processes but that some service orders may be tested on Hawaiian Telcom's systems and /or processes.

D. Except to the extent that a term or condition is an ongoing requirement under an existing interconnection or other applicable agreement or by order of the Commission, the terms and conditions set forth in this Agreement shall be applicable from the closing date of the transaction between MergerSub and the GTE/Verizon Entities (the "Transaction Closing Date") and shall expire ninety (90) days following the actual implementation of all systems and processes for provisioning wholesale service orders ("Cut-over").

II. COLLABORATIVE PROCESS.

A. As part of this process, the parties will endeavor to periodically update each other with any information that may be relevant to the development and implementation of the wholesale back office systems. The parties agree to continue to collaborate on the following matters following the Transaction Closing Date and up to the Cut-over :

1. Hawaiian Telcom and TWTC will identify systems and process requirements.
2. Hawaiian Telcom will develop and refine testing and implementation schedules.
3. Hawaiian Telcom will provide to TWTC information on the systems, processes, interfaces, business rules and other supporting documentation that will be utilized to provide the wholesale service functions to TWTC.

¹ Any such order shall be final and non-appealable and be binding upon all affected parties.

4. Hawaiian Telcom will establish new functional work groups (where such functions are currently performed by Verizon on the mainland), and make such work groups available to TWTC on a reasonable basis.

III. TIMING.

BearingPoint, Inc. ("BearingPoint"), MergerSub's consultant, has prepared a draft document entitled "Hawaiian Telcom CLEC Collaborative Transition Planning Draft Schedule" which outlines the approach and tentative timelines that BearingPoint will be undertaking to implement the wholesale back office systems. A copy of that draft document is attached hereto as Exhibit "A" and incorporated herein by reference (the "Schedule"). The parties recognize that because a key aspect of the Schedule is tied to when closing of the transaction will occur, the Schedule is preliminary and subject to modification from time to time.² The parties agree to cooperate to update and revise the Schedule as necessary.

The Schedule generally divides the tentative timelines into five (5) periods. These five (5) periods are, for planning purposes, identified as Planning, Mobilization, Interconnect, Testing, and Production Support. Recognizing that the closing date of the transaction is uncertain, the timeline period milestones are keyed to when the "Cut-over" of the actual service function may occur. Therefore, the five (5) periods shown on Exhibit "A" are calculated in reverse sequence starting from the "Cut-over" time period.

IV. REPORTING REQUIREMENTS.

A. Hawaiian Telcom will submit quarterly reports to the Commission commencing on the first month after the Transaction Closing Date and ending upon the Cut-over of the systems and processes for the wholesale service functions and processes. The

report will include any updates to the Schedule, a listing of accomplishments or milestones achieved to date, and any outstanding issues between Hawaiian Telcom and TWTC.

Concurrently with the submission of the report to the Commission, Hawaiian Telcom will serve a copy of the report on TWTC and the Consumer Advocate. TWTC will have the right to file a response with the Commission (and will serve a copy of the response to Hawaiian Telcom) if it disagrees with any part of the report.

B. Report Format. The parties have agreed upon the format of the reports. A sample of the proposed report form is attached hereto as Exhibit "B" and incorporated herein by reference.

C. Confidential Treatment of Reports. Unless otherwise agreed upon by the parties, the information contained in the reports shall be deemed to be confidential and shall be filed subject to Protective Order No. 21034. No disclosure of the reports to any other party or any person (including those persons that may have already executed a Protective Agreement in this proceeding) may be made without the prior written approval of MergerSub.

V. DISPUTE RESOLUTION.

If, during the course of the development and implementation of any system or procedures, the parties disagree on any matters, the parties agree to use reasonable efforts to resolve any such disagreements on an informal basis.

Notwithstanding the foregoing, if (a) Hawaiian Telcom intends to implement any system, process or procedure not agreed upon by TWTC that TWTC reasonably believes

² The Schedule may also change due to conditions or requirements that may result from any order issued by the Commission in this proceeding.

will be materially harmful to TWTC's operations or (b) Hawaiian Telcom fails to comply with this agreement or any schedule or process agreed to hereunder and such failure will result in a material delay or cause material harm to TWTC's operations, TWTC can submit the matter for resolution to the Commission. For purposes of this Section V., "materially harmful" or "material harm" shall mean (a) where TWTC will incur an additional, cumulative cost of \$40,000 in order to implement one or more systems or processes or to change one or more existing systems or processes, that would not be incurred but for the transfer of control from the GTE/Verizon Entities to MergerSub or (b) where the change in system or process would significantly impair or harm TWTC's ability to deliver existing or proposed services to its customers. In addition, a "material delay" shall mean a 20% increase in the standard due date or processing time for submission of an order or maintenance request.

TWTC shall serve a copy of any such filing by hand delivery or other readily acceptable electronic means upon Hawaiian Telcom on the same day of the filing. Hawaiian Telcom will have ten (10) days following TWTC's filing in which to file a reply memorandum or similar document detailing its position on the matter. The parties agree that any request for resolution by the Commission will include a request for an expedited ruling by a date certain to avoid any unreasonable delay in the Cut-over.

In addition to the foregoing, Hawaiian Telcom will also have the right to invoke the dispute resolution process described above to the extent Hawaiian Telcom believes that TWTC is (a) unreasonably preventing or delaying Hawaiian Telcom from completing the Cut-over or (b) otherwise failing to comply with this Agreement in good faith. Similar to the rights afforded to TWTC in the preceding paragraph, Hawaiian Telcom may also submit the matter for resolution to the Commission and the process, procedures, and time periods described in the preceding paragraph shall apply in that case.

VI. PERFORMANCE STANDARDS

Unless otherwise agreed by the parties or ordered by the Commission, upon Cut-over to Hawaiian Telecom's systems and processes, Hawaiian Telecom agrees to comply with the performance standards (the "Standards") set forth in the California Joint Partial Settlement Agreement ("JPSA"), as the same may be amended from time to time and adopted by the Commission. Nothing herein shall obligate Hawaiian Telecom to offer services that are not currently offered or are currently offered under different terms than as required by the JPSA.

VII. ELECTRONIC INTERFACES ("DEFINITES")

A. Electronic Wholesale Interfaces. Hawaiian Telecom agrees to make available at Cut-over (whether through its own development and implementation or through partial or total outsourcing) the following electronic wholesale interfaces:

1. Pre-Order -- Graphic User Interface (GUI) for the retrieval of customer service records ("CSRs") and other available customer network information.
2. Ordering and Provisioning -- Access Service Request (ASRs): The ASR gateway will conform to specifications of the Ordering and Billing Forum (OBF), currently supporting ASOG forms that include the general ASR form and those for Trunking, Transport, End-User Special Access, Feature Group A, Multi-point Services Leg, Service Address Location Information, Additional Circuit Information, End-Office Detail, Firm Order Confirmation and Design Layout Record.
3. Ordering and Provisioning -- Local Service Request (LSRs) Graphic User Interface (GUI).

4. Maintenance – Graphic User Interface (GUI) for the submission and status of trouble tickets for both high capacity circuits and local exchange switched services.

5. Billing Disputes - Graphic User Interface (GUI) for the submission and status of billing disputes for both local and special/switched access services.

B. System Business Rules and Documentation. Hawaiian Telcom agrees to prepare and distribute the wholesale system business rules and documentation at least forty-five (45) days before GUI System Cut-over and sixty (60) days before EDI type System Cut-over. These rules and documentation shall cover the GUI interfaces and EDI type interfaces.

C. System Testing and Training. The parties agree to develop a joint testing plan that will be implemented during the testing period. Prior to Cut-over, Hawaiian Telcom agrees to provide a one-time system training to those TWTC employees responsible for the coordination and processing of wholesale service requests. All such employee training shall be conducted in Honolulu, Hawaii or via electronic interfaces unless otherwise agreed upon by the parties. Written training materials shall be made available at the time of the system training.

VIII. ORDERING AND PROVISIONING: ORGANIZATION INTERFACES/ OPERATIONAL PROCESSES & PROCEDURES.

A. Hawaiian Telcom agrees to establish a wholesale ordering organization; provided, however, that a separate organization will not be required if Hawaiian Telcom documents and files with the Commission its plan to establish, and maintain adequate safeguards to ensure that wholesale ordering information is not shared with Hawaiian Telcom's retail operations.

B. Unless otherwise specified in the JPSA or in TWTC's interconnection agreement, wholesale provisioning shall be performed at comparable service quality levels as retail provisioning.

C. Hawaiian Telcom will provide to TWTC standard intervals associated with special access, porting and LSR related services to the extent that such intervals are currently published by Verizon or in TWTC's interconnection agreement.

D. Hawaiian Telcom will provide TWTC with organizational contacts and escalation lists at least 5 business days prior to any system or organizational conversion date.

IX. MAINTENANCE: ORGANIZATION INTERFACES/ OPERATIONAL PROCESSES & PROCEDURES.

A. Hawaiian Telcom will provide to TWTC one organizational contact point for all repairs at least 5 business days prior to any system or organizational conversion date.

X. BILLING PROCESSES AND PROCEDURES.

Hawaiian Telcom agrees to the following billing processes and/or procedures, which will be in effect from and after the Cut-over:

- A. Provide a mutually agreeable method for the distribution of electronic bills.
- B. Maintain the existing billing account number (BAN) structure.
- C. Maintain billing in a standard CABS format.
- D. Develop a Credit and Collection Policy/Process consistent with Commission Rules and Regulations.

E. Provide a written statement of the wholesale services practices and procedures applicable to TWTC.

XI. ANCILLARY SERVICES PROCESSES AND PROCEDURES.

Hawaiian Telecom agrees to the following ancillary services processes and/or procedures:

- A. Establish local contact and process for Collocation.
- B. Maintain ancillary arrangement for Operator Services and Directory Assistance (OS/DA) services.
- C. Establish Directory Listing/Yellow Pages contacts and procedures.
- D. Development of a process to allow TWTC to directly input station identification information for its customers into the 911 database.

XII. OTHER ORGANIZATION INTERFACES/ OPERATIONAL PROCESSES & PROCEDURES.

Hawaiian Telecom agrees to identify the following contacts at least 5 business days prior to any system or organizational conversion date:

- A. CLEC Account Manager
- B. Collocation Manager
- C. Outside Plant Services Manager (Poles/Conduit)

XIII. OTHER INFORMATION.

BearingPoint developed a draft decomposition model which provides information necessary to create "swim lane" diagrams. These "swim lane" diagrams for the wholesale operations will be developed in the future. To the extent required by the Commission, copies of the "swim lane" diagrams can be provided at a future date.

BearingPoint has also prepared a draft of the proposed back-office wholesale architecture which illustrates the system interfaces and applicable workflow processes. A copy of the proposed architecture is attached hereto as Exhibit "C" and incorporated herein by reference. Again, the technical requirements for the systems and processes have not been finalized and, therefore, are subject to change based upon negotiations with TWTC and the collaborative process. The draft back-office wholesale architecture is not intended to modify any of the agreements of the parties under this Stipulation.

XIV. INTERCONNECTION AGREEMENT.

The parties agree that negotiations between TWTC and Verizon for a new interconnection agreement are ongoing and may not be completed prior to the Transaction Closing Date. In that event, Hawaiian Telcom will agree to commence discussions with TWTC for a new interconnection agreement after the Transaction Closing Date. Until a new interconnection agreement is agreed upon, Hawaiian Telcom agrees to allow TWTC to operate, as an interim measure, under the existing interconnection agreement and all subsequent operational agreements as if said agreements had not expired (subject to Hawaiian Telcom's rights under those agreements to modify the agreements in certain circumstances). The parties further agree to establish a resolution process to address individual issues that may arise prior to the negotiation of a full interconnection agreement.

XV. OTHER REGULATORY MATTERS.

In consideration of entering into this Stipulation, the parties agree that some, but not all of the limited issues TWTC has been permitted to address as an intervenor in this proceeding (the "CLEC Intervenor Issues") have been addressed in the collaborative and subsequent meetings and discussions with MergerSub and its consultants, or are addressed in this Stipulation. However, the parties were not able to reach agreement on all issues. TWTC therefore shall have the right to discuss in its Position Statement matters related to the CLEC Intervenor Issues that are not addressed in this Stipulation, including, without limitation, whether and to what extent performance measure standards, incentives and/or penalties should be initiated and implemented as a condition to approval. Subject to MergerSub's (and Hawaiian Telcom's) compliance with the terms and conditions set forth in this Stipulation, and subject to any conditions to approval TWTC may recommend in its Position Statement, TWTC agrees to file a Statement of Position with the Commission on or before January 5, 2005 (a) supporting the proposed transaction between MergerSub and the GTE/Verizon Entities and (b) indicating that the transfer of control will not have an impact on competition in telecommunications services in the State of Hawaii. Hawaiian Telcom will similarly be permitted to include within its Rebuttal Statement its position on any issue raised by TWTC in its Position Statement.

The parties acknowledge that the design, development, and implementation of the back office systems involving the wholesale service functions is complex and complicated. To that end, each party has allocated and expended considerable time, effort, and resources during the respective collaborative sessions and the subsequent meetings and discussions. Based on this collective efforts, this Stipulation reflects an agreed upon set of provisions and conditions that the parties believe are reasonable. The parties therefore

agree that, except as discussed below, the provisions and conditions of this Stipulation will be binding as between them with respect to the specific issues and matters addressed herein.

Notwithstanding the foregoing, each provision of this Stipulation is in consideration and support of all other provisions, and is expressly conditioned upon acceptance by the Commission of the matters expressed in this Stipulation in their entirety. In the event the Commission declines to adopt parts or all of the matters agreed to and as set forth in this Stipulation, the parties agree that either party may, in its sole discretion, elect to not be bound by particular provisions and conditions set forth in this Stipulation.

In all respects, it is understood and agreed that the agreements evidenced in this Stipulation represent compromises by the parties to fully and finally resolve the various issues that are addressed in the Stipulation and is not meant to be an admission by any of the parties as to the acceptability or permissibility of matter stipulated to herein. Furthermore, the parties agree that nothing contained in this Stipulation shall be deemed to, nor interpreted to, set any type of precedent in any future regulatory proceeding or docket, except as necessary to enforce this Stipulation.

XIV. CHANGE IN LAW.

If any final and non-appealable legislative, regulatory, judicial or other legal action, including a change in applicable law, materially affects any of the terms or conditions of this Agreement, or the ability of either party to perform any material terms of this Agreement, then upon notice to the other party, the superceded terms or conditions shall no longer be applicable. In that case, the parties agree to renegotiate in good faith within sixty (60) days

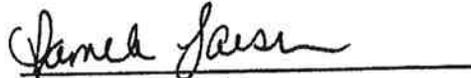
following the issuance of such notice such mutually agreeable new terms and conditions as
may be required.

DATED: Honolulu, Hawaii January 5, 2005



ALAN M. OSHIMA
MICHAEL H. LAU
KENT D. MORIHARA

Attorneys for PARADISE MERGERSUB, INC.



J. DOUGLAS ING
PAMELA J. LARSON

Attorneys for TIME WARNER
COMMUNICATIONS OF HAWAII, L.P.



Hawaiian Telcom
CLEC Collaborative Transition Planning
Draft Schedule

11/9/04

EXHIBIT A
(Page 1 of 9)

Business and Systems Aligned. Business Empowered.™



Agenda

- 1. Approach**
- 2. Proposed Meeting Schedule**
- 3. Tentative Timeline**
- 4. Periods and Related Cooperative Activities**
- 5. Carlyle/BearingPoint Milestones**

EXHIBIT A
(Page 2 of 9)

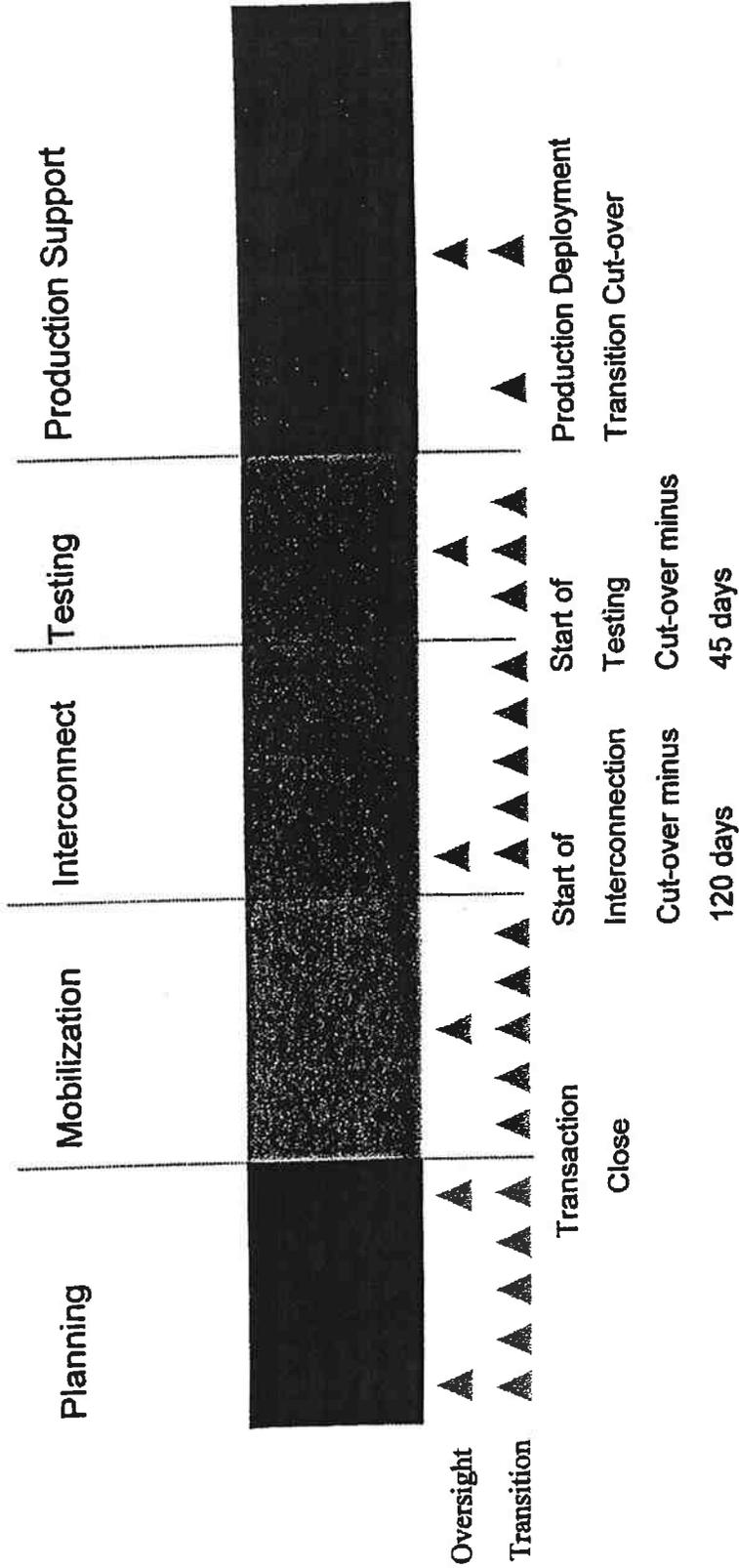
Approach

- **The Scheduling of cooperative activities for Transition is dependent on the specific transaction Close date and the Transition Period Cut-over date.**
- **In order to communicate planning information with CLEC parties in this environment BearingPoint will employ terminology of Phases and Periods**
- **Definitions:**
 - **A Phase is a logical grouping of related project activities that are performed only by BearingPoint**
 - **A Period, for purposes of the Transition, is a time range during which certain cooperative activities will occur**
 - **A Milestone will serve as the demarcation between Periods**

Initial Proposed Meeting Schedule

- **Oversight Committee**
 - Quarterly meetings
- **Transition Team**
 - Planning and Mobilization Periods
 - Monthly
 - Testing Period
 - Every 2 weeks
 - Production Support Period
 - Per Change Control process
 - As needed for support

Period Timeline (Tentative)



Periods and Related Cooperative Activities

- Planning

- Oversight Meeting
- Collaborative Transition Planning with CLECs
- Current State Investigation with CLECs
- Process Review with CLECs
- Solution Review with CLECs
- Milestone 1 – Close of Sale

- Mobilization

- Oversight Meeting
- Transition Team status updates
- Draft User Documentation Distribution and Review with CLECs
- Test Design with CLECs
- Milestone 2 – Start of Testing

- Interconnection and Testing

- Oversight Meeting
- Transition Team status updates
- Establish network connectivity with CLECs
- Interconnectivity Testing with CLECs
- Interoperability Testing with CLECs
- Milestone 3 – Deployment to Production

Production Support

- Deployment into Production and Cutover
- Ongoing Issue Management with CLECs
- Ongoing Release Management with CLECs



First Milestone

- The first Milestone for this cooperative Transition is the Close of the sale transaction
- At Close the parties, Hawaiian Telcom and the CLECs, will transition from the Planning activities to those of the Mobilization Period
- Periodic meetings will be scheduled by Hawaiian Telcom to communicate status updates to CLECs. In addition, these meetings will be used to plan for their participation in the Interconnect and Testing Periods
- Initial draft User Documentation, such as Interface Specifications will be distributed during the Mobilization period in support of the move to Interconnection and Testing
- Test Design activities, such as scenario selection, will begin during the Mobilization Period

Second and Third Milestones

- The second Milestone for this cooperative Transition will be the initiation of network interconnection activities, anticipated to begin approximately four to five months prior to the cut-over date
- This Milestone will signal the beginning of the Interconnection Period
- Hawaiian Telcom and the CLECs will cooperate during this Period to establish physical network connectivity to the test environment and establish system connectivity
- The shift to the Testing Period will begin with the execution of interoperability tests using defined test scenarios
- Test scenarios will be developed to cover each business functional area and exercise a wide array of product types and service offerings

Final Milestone

- The final Milestone for this cooperative Transition is the cut-over of operations and deployment of the Interconnection solution into the production environment
- This Milestone will define both the end of the Testing Period and the beginning of the Production Support period
- Hawaiian Telcom and the CLECs will cooperate during the Deployment to ensure that connectivity to the production environment is established between CLEC and Hawaiian Telcom systems, and that basic functionality is operational
- Once Deployment is successfully completed, Hawaiian Telcom will begin CLEC interconnection support activities including processing of CLEC service requests, response to CLEC support inquiries, and Release Management

CONFIDENTIAL - SUBJECT TO PROTECTIVE ORDER NO. 21034
EXHIBIT "B"

BI-MONTHLY REPORT OF HAWAIIAN TELCOM
DOCKET NO. 01-0140

Date of Report: _____

Schedule Revisions:

1. _____
2. _____
3. _____

Accomplishments or Milestones Achieved From Last Report

1. _____

2. _____

3. _____

Outstanding Issues:

1. _____

2. _____

3. _____

DRAFT Wholesale Application Architecture

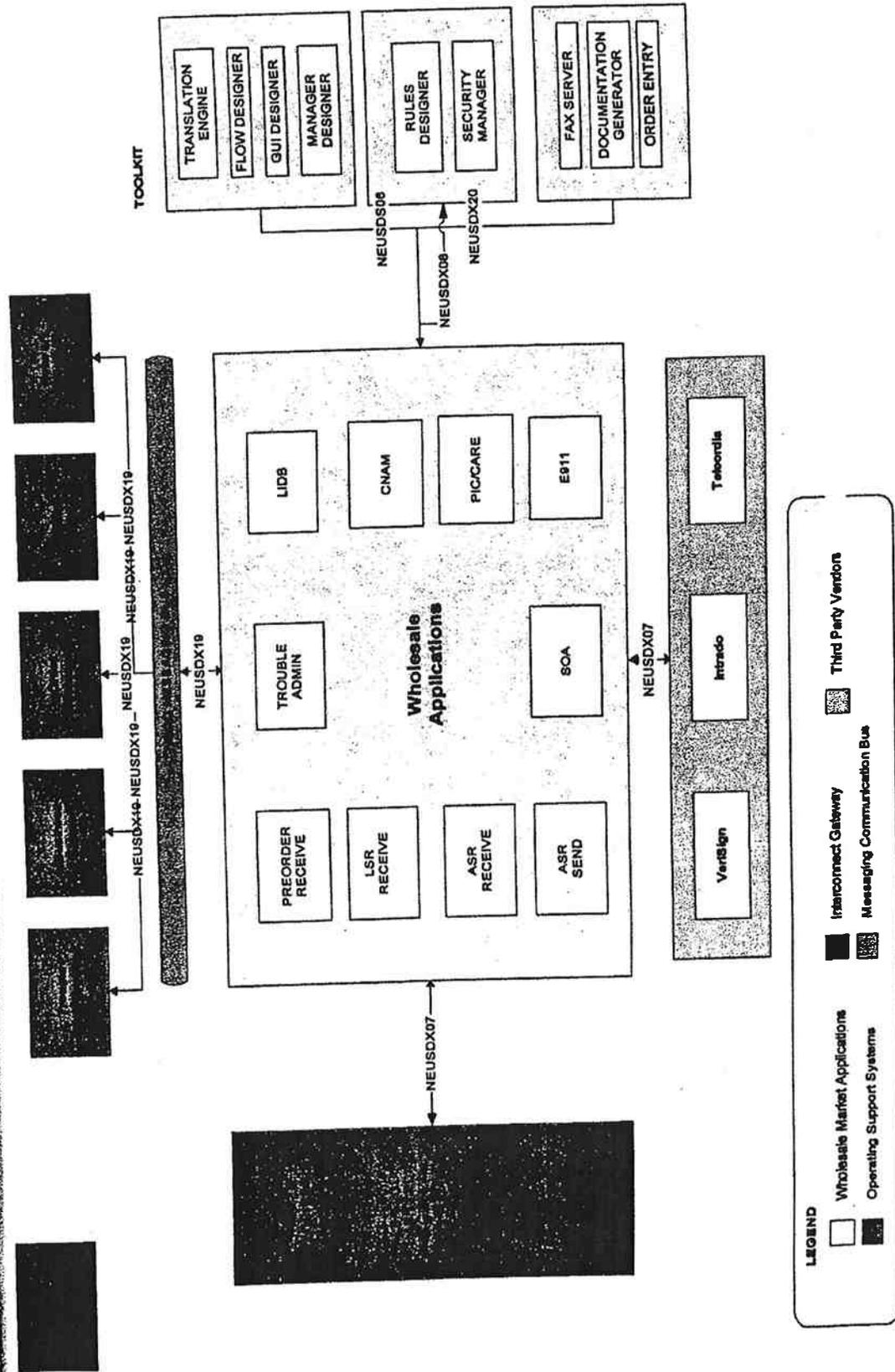


EXHIBIT C

CERTIFICATE OF SERVICE

I hereby certify that I have this date served a copy of the foregoing Stipulation upon the following Parties and Participant by hand delivery or by mail, postage prepaid and properly addressed.

DIVISION OF CONSUMER ADVOCACY 3 copies
335 Merchant Street
Room 326
Honolulu, HI 96813

GTE CORPORATION, VERIZON HAWAII INC., 2 copies
BELL ATLANTIC COMMUNICATIONS, INC., AND
VERIZON SELECT SERVICES INC.
c/o P.O. Box 2200
Honolulu, HI 96841
Attn: Mr. Joel K. Matsunaga

STEPHEN S. MELNIKOFF, ESQ. 1 copy
General Attorney
Regulatory Law Office
Office of the Judge Advocate General
U.S. Army Litigation Center
901 N. Stuart Street, Suite 700
Arlington, Virginia 22203-1837

LAURA A. MAYHOOK, ESQ. 1 copy
J. JEFFREY MAYHOOK, ESQ.
Mayhook Law, PLLC
34808 NE 14th Avenue
La Center, WA 98629

WILLIAM M. TAM 1 copy
ALSTON HUNT FLOYD & ING
1001 Bishop St., 18th Floor
Honolulu, HI 96813

J. DOUGLAS ING, ESQ. 1 copy
PAMELA J. LARSON, ESQ.
Watanabe Ing Kawashima & Komeiji LLP
First Hawaiian Center
999 Bishop Street, 23rd Floor
Honolulu, HI 96813

HERBERT R. TAKAHASHI
STANFORD H. MASUI
DANNY J. VASCONCELLOS
REBECCA L. COVERT
Takahashi, Masui, Vasconcellos & Covert
345 Queen Street, Room 506
Honolulu, HI 96813

1 copy

Dated: January 5, 2005



ALAN M. OSHIMA
MICHAEL H. LAU
KENT D. MORIHARA

Attorneys for PARADISE MERGERSUB,
INC.